



## North Carolina Department of Administration

Michael F. Easley, Governor  
Gwynn T. Swinson, Secretary

Division of Purchase and Contract  
Bob Rhinehardt, Acting State Purchasing Officer

July 29, 2003

### **MEMORANDUM**

**TO:** All Purchasing Officers for State Agencies, Community Colleges, Institutions, Public Schools and Universities

**FROM:** Bob Rhinehardt

**SUBJECT:** NC E-Procurement @ Your Service

We do hope your 2003/2004 fiscal year has started on a positive note. This year will no doubt include more challenges and opportunities in our public purchasing arena.

E-Procurement was initially implemented in November 2001 in a phased approach beginning with State Agencies. Since, there have been over 130,000 purchase orders issued through e-procurement amounting to "spend" of over \$1.2 billion. Ninety (90) percent of Statewide term contracts are loaded in e-procurement and approximately 24,000 vendors have registered to date. The next phase is implementation in Community Colleges. Currently two Community Colleges are preparing for pilot implementations in conjunction with their new Colleague financial system.

We are bringing two items to your attention that should help in communications with vendors:

- Quotes and informal solicitations – There have been examples brought to our attention where quotes have been solicited verbally or in writing by State users/purchasers and where there has been no mention of e-procurement. For an agency that is using e-procurement, a purchase order is transmitted to the successful supplier through e-procurement and the supplier is charged a 1.75% e-procurement transaction fee. Supplier then receives an invoice for the 1.75% fee. In a number of cases, this has been a surprise and considerable time and effort is required to reconcile with the supplier. For Agencies using e-procurement, please pass on to your users to let the vendor know up front (when quotations are obtained) that your agency is using e-procurement and a transaction fee is applicable for goods.

Mailing Address:  
1305 Mail Service Center  
Raleigh, NC 27699-1305

State Courier 51-01-06  
Internet Home Page: <http://www.state.nc.us/pandc/>  
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Location Address:  
116 West Jones Street  
Raleigh, NC 27603-8002



- On our website ([www.doa.state.nc.us/pandc/](http://www.doa.state.nc.us/pandc/)), we have added new forms under P&C Information, Division Forms, that incorporate e-procurement language for both Bids and Request for Quotes for use by those agencies using e-procurement. Non e-procurement users still have access to the forms that do not include e-procurement language. If E-Quotes are used, no additional language is required.

Thank you for helping us improve the vendor communication process. If you have any questions, please let us know.